

Adopted	Rejected
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## COMMITTEE REPORT

YES:	14
NO:	0

### MR. SPEAKER:

*Your Committee on Commerce and Economic Development, to which was referred House Bill 1468, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1       Page 1, delete lines 6 through 17, begin a new paragraph and insert:
- 2       "SECTION 2. IC 4-13.6-6-2.7 IS ADDED TO THE INDIANA
- 3       CODE AS A NEW SECTION TO READ AS FOLLOWS
- 4       [EFFECTIVE JULY 1, 2003]: **Sec. 2.7. (a) As used in this section,**
- 5       **"Indiana business" refers to any of the following:**
- 6               **(1) A business whose principal place of business is located in**
- 7               **Indiana.**
- 8               **(2) A business that pays a majority of its payroll (in dollar**
- 9               **volume) to residents of Indiana.**
- 10              **(3) A business that employs Indiana residents as a majority of**
- 11              **its employees.**
- 12              **(4) A business that makes significant capital investments in**
- 13              **Indiana.**
- 14              **(5) A business that has a substantial positive economic impact**

1           **on Indiana.**

2           **(b) The Indiana department of administration shall consult with**  
 3 **the department of commerce in developing criteria for determining**  
 4 **whether a business is an Indiana business under subsection (a). The**  
 5 **Indiana department of administration may consult with the**  
 6 **department of commerce to determine whether a particular**  
 7 **business meets the requirements of this section and the criteria**  
 8 **developed under this subsection.**

9           **(c) There is a price preference of five percent (5%) for a**  
 10 **contractor that is an Indiana business.**

11           **(d) A contractor who wants to claim a preference provided**  
 12 **under this section must state in the contractor's bid that it claims**  
 13 **the preference provided by this section.**

14           **(e) The division shall compute a preference under this section in**  
 15 **the same manner that a preference is computed under IC 5-22-15.**

16           **(f) Notwithstanding subsection (c), the division shall award a**  
 17 **contract to the lowest responsive and responsible contractor,**  
 18 **regardless of the preference provided in this section, if the**  
 19 **contractor is:**

20           **(1) an Indiana contractor; or**

21           **(2) a contractor:**

22           **(A) from a state bordering Indiana; and**

23           **(B) the contractor's home state does not provide a**  
 24 **preference to the home state's contractors more favorable**  
 25 **than is provided by Indiana law to Indiana contractors.**

26           **SECTION 3. IC 5-22-15-20 IS AMENDED TO READ AS**  
 27 **FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 20. (a) This section**  
 28 **does not apply to the state lottery commission created by IC 4-30-3-1.**

29           **(b) As used in this section, "out-of-state business" refers to a**  
 30 **business that is not an Indiana business.**

31           **(c) A governmental body may adopt rules to give a preference to an**  
 32 **Indiana business that submits an offer for a purchase under this article**  
 33 **if all of the following apply:**

34           **(1) An out-of-state business submits an offer for the purchase.**

35           **(2) The out-of-state business is a business from a state that gives**  
 36 **purchase preferences unfavorable to Indiana businesses.**

37           **(d) Rules adopted under subsection (c) must establish criteria for**  
 38 **determining the following:**

1 (1) Whether an offeror qualifies as an Indiana business under the  
2 rules.

3 (2) When another state's preference is unfavorable to Indiana  
4 businesses.

5 (3) The method by which the preference for Indiana businesses is  
6 to be computed.

7 (e) Rules adopted under subsection (c) may not give a preference to  
8 an Indiana business that is more favorable to the Indiana business than  
9 the other state's preference is to the other state's businesses.

10 **(f) Rules adopted under subsection (c) must provide that a**  
11 **contract shall be awarded to the lowest responsive and responsible**  
12 **offeror, regardless of the preference provided under this section,**  
13 **if the offeror is:**

14 (1) **an Indiana business; or**

15 (2) **a business:**

16 (A) **from a state bordering Indiana; and**

17 (B) **the contractor's home state does not provide a**  
18 **preference to the home state's businesses more favorable**  
19 **than is provided by Indiana law to Indiana businesses.**

20 SECTION 4. IC 5-22-15-20.5 IS ADDED TO THE INDIANA  
21 CODE AS A NEW SECTION TO READ AS FOLLOWS  
22 [EFFECTIVE JULY 1, 2003]: **Sec. 20.5. (a) This section applies only**  
23 **to a contract awarded by a state agency.**

24 **(b) As used in this section, "Indiana business" refers to any of**  
25 **the following:**

26 (1) **A business whose principal place of business is located in**  
27 **Indiana.**

28 (2) **A business that pays a majority of its payroll (in dollar**  
29 **volume) to residents of Indiana.**

30 (3) **A business that employs Indiana residents as a majority of**  
31 **its employees.**

32 (4) **A business that makes significant capital investments in**  
33 **Indiana.**

34 (5) **A business that has a substantial positive economic impact**  
35 **on Indiana as defined by criteria developed under subsection**  
36 **(c).**

37 **(c) The Indiana department of administration shall consult with**  
38 **the department of commerce in developing criteria for determining**

1       **whether a business is an Indiana business under subsection (a). The**  
 2       **Indiana department of administration may consult with the**  
 3       **department of commerce to determine whether a particular**  
 4       **business meets the requirements of this section and the criteria**  
 5       **developed under this subsection.**

6       **(d) There is a price preference of five percent (5%) for supplies**  
 7       **purchased from an Indiana business.**

8       **(e) Notwithstanding subsection (d), a state agency shall award**  
 9       **a contract to the lowest responsive and responsible offeror,**  
 10       **regardless of the preference provided in this section, if the offeror**  
 11       **is:**

12       **(1) an Indiana business; or**

13       **(2) a business:**

14               **(A) from a state bordering Indiana; and**

15               **(B) the business's home state does not provide a preference**  
 16               **to the home state's businesses more favorable than is**  
 17               **provided by Indiana law to Indiana businesses.".**

18       Page 2, delete lines 1 through 30.

19       Renumber all SECTIONS consecutively.

(Reference is to HB 1468 as introduced.)

**and when so amended that said bill do pass.**

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Representative Stevenson